

Message Text

CONFIDENTIAL

PAGE 01 HELSIN 02485 191350Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04 TRSE-00

LAB-04 SIL-01 SAM-01 OMB-01 DODE-00 PA-01 USIA-06

PRS-01 /058 W

----- 075540

R 191238Z NOV 75

FM AMEMBASSY HELSINKI

TO SECSTATE WASHDC 9377

INFO AMEMBASSY COPENHAGEN

AMEMBASSY OSLO

AMEMBASSY MOSCOW

AMEMBASSY STOCKHOLM

AMEMBASSY REYKJAVIK

C O N F I D E N T I A L HELSINKI 2485

E.O. 11652: GDS

TAGS: PINT, FI

SUBJECT: MIETTUNEN GIVES PARTIES HIS GOVERNMENT PROGRAM

REF: HELSINKI 2477

1. AFTER GOVERNMENT-FORMATEUR MARTTI MIETTUNEN'S FIRST "FINAL" GOVERNMENT PROGRAM HAD BEEN REJECTED ON NOVEMBER 17 BY REPRESENTATIVES OF THE FIVE PARTIES PARTICIPATING IN THE GOVERNMENT NEGOTIATIONS, MIETTUNEN WENT BACK TO HIS DRAWING BOARD AND ON NOVEMBER 18 CAME UP WITH YET ANOTHER "FINAL" DRAFT THAT INCLUDED 22 CHANGES. THE PARTIES ARE NOW STUDYING MIETTUNEN'S PROGRAM PROPOSAL AND ARE SCHEDULED TO GIVE HIM A YES OR NO ANSWER ON NOVEMBER 20. MIETTUNEN IN TURN WILL STUDY THE RESPONSES AND CONFER WITH PRESIDENT KEKKONEN ON NOVEMBER 21.

2. THE CENTRIST PARTIES ARE EXPECTED TO ACCEPT THE MIETTUNEN PROGRAM. THE COMMUNISTS HAVE A JOINT MEETING
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HELSIN 02485 191350Z

OF SEVERAL PARTY AND FRONT-ORGANIZATION EXECUTIVE ORGANS

NOVEMBER 19, AND ARE EXPECTED TO REJECT THE PROGRAM. THE SOCIAL DEMOCRATS, WHO HOLD THE KEY TO WHETHER MIETTUNEN WILL BE ABLE TO CONTINUE HIS EFFORTS, HAVE SCHEDULED MEETINGS FOR BOTH THE PARTY EXECUTIVE BOARD AND THE PARLIAMENTARY GROUP ON NOVEMBER 19. IT IS NOT CLEAR WHAT THE SOCIAL DEMOCRATS WILL DECIDE. THERE IS CONSIDERABLE OPPOSITION TO GOVERNMENT PARTICIPATION WITHIN THE PARLIAMENTARY GROUP AND AMONG THE RANK AND FILE, BUT MOST OF THE LEADERSHIP APPEARS TO LEAN TOWARD PARTICIPATION. IF THE SOCIAL DEMOCRATS MAKE A BASIC DECISION IN FAVOR OF PARTICIPATION, THEY MAY STILL DECIDE TO DEMAND A VERY HIGH PRICE FOR THIS -- EVEN TO THE POINT OF DEMANDING THE PRIME MINISTERSHIP.

3. WHEN MIETTUNEN'S FIRST DRAFT WAS REJECTED, HE IN EXASPERATION SAID THAT "NOT EVEN ANGELS COULD WRITE A PROGRAM THAT WOULD SATISFY YOU PEOPLE." HE HAS CERTAINLY TRIED TO SWEETEN THE POT WITH HIS SECOND DRAFT, BY INCLUDING SOMETHING FOR EVERYONE AND BY PARTICULARLY TRYING TO MEET THE DEMANDS OF THE SOCIAL DEMOCRATS. THE OTHER SIDE OF THE COIN IS OF COURSE THAT WHEN EVERYONE'S WISHES ARE INCLUDED, EVERYONE WILL ALSO BE UNHAPPY ABOUT SOME ITEMS. PROGRAM IS SOMEWHAT GENERAL, AND OFTEN IS PHRASED IN SUCH A WAY THAT THE GOVERNMENT WOULD ONLY BE COMMITTED TO "ENDEAVORING" TO ACCOMPLISH CERTAIN MEASURES, OR TO "STUDY" THEIR FEASIBILITY. MAIN FOCUS IS ON ECONOMIC QUESTIONS, WITH EMPHASIS PLACED ON "COMBATTING UNEMPLOYMENT, STOPPING INFLATION, AND DECREASING BALANCE OF PAYMENTS DEFICIT." THE GOVERNMENT WOULD ALSO PREPARE ANTI-CYCLICAL PROGRAMS AND LEGISLATION. BUDGET WOULD BE KEPT WITHIN LIMITS OF THE LIINAMAA GOVERNMENT BUDGET PROPOSAL, BUT MIETTUNEN'S PROGRAM MEETS TWO SOCIAL DEMOCRATIC DEMANDS IN REGARD TO LIINAMAA BUDGET -- THAT COMPREHENSIVE SCHOOL REFORM WOULD NOT BE DEFERRED AND THAT ONE PERCENT RAISE IN SALES TAX WOULD NOT BE IMPLEMENTED RIGHT AWAY.

4. MIETTUNEN PROGRAM DOES NOT SUGGEST ANY CHANGES IN FINNISH FOREIGN POLICY AND CAN BE SAID TO CALL
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HELSIN 02485 191350Z

FOR JUST MORE OF THE SAME IN THIS FIELD. IN FOREIGN TRADE POLICY AREA, THERE ARE SOME CHANGES IN EMPHASIS. RELATIONS WITH EC AND MARKET ECONOMIES ARE TAKEN CARE OF BY CODE, I.E., PROGRAM STATES THAT "GOVERNMENT WILL CONDUCT ACTIVE AND PLANNED TRADE POLICIES WITH ALL OF THE COUNTRY'S TRADING PARTNERS FOR THE PURPOSE OF DIVERSIFYING EXPORTS...." FOR NORDIC COUNTRIES EMPHASIS IS PLACED ON INCREASING COOPERATION IN

CAPITAL MOVEMENTS (NORDIC INVESTMENT BANK) AND IN LABOR MARKET QUESTIONS (LOSS OF WORKERS TO SWEDEN). TRADE WITH COMMUNIST COUNTRIES IS TREATED MORE SPECIFICALLY. PROGRAM CALLS FOR INCREASED COOPERATION IN TRADE, INDUSTRY AND TECHNOLOGY, PARTICULARLY WITHIN THE FRAMEWORK OF THE NEW 15-YEAR AGREEMENT WITH THE USSR. COOPERATION WITH COMECON COUNTRIES IS TO BE INCREASED ON BOTH A MULTILATERAL AND BILATERAL BASIS. EXPORTS OF AGRICULTURAL PRODUCTS TO SOVIET UNION IS TO BE CONTINUED.

5. COMMENT: IT IS QUESTIONABLE WHETHER MIETTUNEN'S PROGRAM WILL BE ACCEPTED. AS MENTIONED, THE KEY IS WITH THE SOCIAL DEMOCRATS. THEY HAVE TO DECIDE WHETHER TO PARTICIPATE IN ANY GOVERNMENT AT THIS TIME, WHETHER THEY WILL DO SO WITHOUT COMMUNIST PARTICIPATION, WHETHER THEY WILL PARTICIPATE IN A CENTER PARTY-LED GOVERNMENT AND, FINALLY, AT WHAT PRICE IN PROGRAM AND PORTFOLIOS. EMBASSY BELIEVES THAT MIETTUNEN AT THIS TIME IS PRIMARILY CONCERNED WITH TRYING TO PUT SOME TYPE OF GOVERNMENT TOGETHER AND THAT HE FOR THIS REASON HAS AVOIDED PROPOSING SPECIFIC HARSH REMEDIES NEEDED TO STRAIGHTEN OUT FINLAND'S SERIOUS ECONOMIC PROBLEMS. THE EVIDENT NEED TO FIND ACCEPTABLE "COMPROMISE" POSITIONS HAS LED TO A WATERING DOWN OF THE LIINAMAA GOVERNMENT'S CALL FOR FISCAL RESTRAINT. AUSTAD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COALITION GOVERNMENT, POLITICAL SITUATION, HEAD OF GOVERNMENT, REORGANIZATIONS, COMMUNISTS, SOCIAL DEMOCRATS, NEGOTIATIONS, POLITICAL LEADERS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975HELSIN02485
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750403-0141
From: HELSINKI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751129/aaaaazrw.tel
Line Count: 142
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 HELSINKI 2477
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAY 2003 by CunninFX>; APPROVED <02 OCT 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MIETTUNEN GIVES PARTIES HIS GOVERNMENT PROGRAM
TAGS: PINT, FI, (MIETTUNEN, MARTTI)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006